# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:474
ANSWERED ON:23.02.2001
PERFORMANCE OF MANUFACTURING SECTOR
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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether India`s manufacturing sector is slowing down, while services are growing rapidly;

(b) whether the manufacturing sector provided 48% of total employment opportunities in 1995 whereas this has now come down to 20%;

(c) if so, the reasons therefor; and

(d) the effective steps taken by the Government to arrest the slowing down of manufacturing sector ?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (Dr. Raman Singh)

(a) The share of manufacturing sector in GDP has revealed a declining trend, while services sector has shown an increasing trend.

(b) & (c)No Sir. The manufacturing sector employed 24% of the totalemployment in the organized sector during 1999 as against 23.7% during 1995.

(e) The increasing share of services sector vix-a-vis manufacturing sector is a phenomenon of economic development observed throughout the world. The important objective needs to be a growth in the income of the people, rather than the sector from which it is derived.